

TITLE 16. CONSUMERS, COMMERCIAL PRACTICES, & CIVIL INFRACTIONS

CHAPTER 8. HOME IMPROVEMENTS

CDCR 16-800 (2004)

16-800. GENERAL PROVISIONS

800.1 No person shall require or accept any payment for a home improvement contract in advance of the full completion of all work required to be performed under the contract, unless that person is licensed as a home improvement contractor or as a licensed salesperson employed by a licensed contractor in accordance with the provisions of this chapter.

800.2 The fee for a license as a home improvement contractor or home improvement salesperson shall be as that prescribed in the District license fee schedule approved by the Mayor.

800.3 No licensed home improvement contractor or salesperson shall hold himself or herself out or engage in business as a home improvement contractor or salesperson under any name other than the name appearing on his or her license; Provided, that nothing in this subsection shall prevent the use of a trade name if the name is contained in the license application and approved by the Director.

800.4 The Director shall not license any person to act as a salesperson for more than one (1) contractor at any one time.

800.5 No person shall include in any contract relating to home improvement work any provision waiving or purporting to waive any provision of this chapter. Any provision included in a contract which waives or purports to waive any provision of this chapter shall be void and of no effect.

800.6 Civil fines, penalties, and fees may be imposed as alternative sanctions for any infraction of this regulation pursuant to titles I-III of the Department of Consumer and Regulatory Affairs Civil Infractions Act of 1985. Adjudication of any infraction of this regulation shall be pursuant to titles I-III of the Department of Consumer and Regulatory Affairs Civil Infractions Act of 1985.

800.7 Any person who violates any provision of this chapter shall, upon conviction be punished by a fine not exceeding three hundred dollars (\$ 300) or by imprisonment for not more than ninety (90) days, or both.

16-801. LICENSING OF CONTRACTORS AND SALESPERSONS

801.1 Application for a license to engage in business as a home improvement contractor or salesperson shall be made to the Director on a form prescribed by the Director.

801.2 Each person applying for a license shall submit to the Director under oath, such information as the Director may require to assist in determining whether the applicant is trustworthy and intends to act as a bona fide home improvement contractor or salesperson.

801.3 Each application for a salesperson's license shall include a certification by the licensed contractor for whom the applicant purposes to act as salesperson that the applicant will, if licensed, be employed by that contractor.

801.4 Each applicant for a license as a salesperson (including any contractor, officer, or member of any firm, partnership, joint stock company, corporation, association, or incorporated society when engaging in the activities of a salesperson) shall, at time of initial application, submit three (3) identical full-faced photographs of himself or herself, one inch by one and one-half inches (1 in. x 1 1/2 in.) in size taken not more than three (3) months prior to date of application.

801.5 If the Director is satisfied that an applicant has met the qualifications set forth in § 801.4, the Director shall issue the license.

801.6 When the Director issues a salesperson's license, the Director shall register the licensee as a salesperson for the contractor who certified the application.

801.7 The Director may issue a temporary license as a salesperson, valid for not more than thirty (30) days, to any applicant who presents at the time of making application for a regular salesperson's license, an affidavit on a form prescribed by the Director and sworn to before a notary public, by a contractor located in the Metropolitan Area of the District of Columbia and licensed to engage in the home improvement business in the District, certifying that the applicant will be employed by the contractor as a home improvement salesperson.

801.8 For the purposes of this section, the "Metropolitan Area of the District of Columbia" means the District of Columbia, Montgomery and Prince Georges Counties in Maryland, and Arlington and Fairfax Counties and the cities of Alexandria and Falls Church in Virginia.

801.9 Any false statement contained in the affidavit presented under § 801.7 shall be grounds for the suspension or revocation of the license of the contractor.

801.10 Any false statement contained in the application for license as a salesperson shall be grounds for the denial, suspension or revocation of that license.

801.11 If any officer, director, partner, or managing employee of any applicant for license as a contractor, or any person exercising control, directly or indirectly, over such applicant, is himself or herself deficient in the qualification of trustworthiness so that he or she would not be entitled to a license under this section if he or she applied for it in his or her own name, the deficiency may be deemed to be the deficiency of the applicant.

16-802. BONDS OR OTHER SECURITY

802.1 Each applicant for a contractor's license shall file in the Office of the Director a bond issued in support of the license for which application is made, extending to third-party recovery, in the penal sum of five thousand dollars (\$ 5,000) running to the District of Columbia, with corporate surety authorized by the Secretary of the Treasury pursuant to Title 6, U.S. Code (1958 Ed.) and by the Superintendent of Insurance of the District of Columbia to do business in the District.

802.2 Each bond shall be in a form approved by the Director and shall be conditioned as required by, and shall be subject to, the provisions of § 2 of the Act approved September 6, 1960 (74 Stat. 815; Pub. L. 86-715).

802.3 The conditions of the bond under § 802.2 shall not be construed or understood to require any surety to be responsible for the completion of a home improvement contract entered into by the principal on the bond, nor shall a surety be liable under the bond for any claim other than a claim for financial loss suffered by a homeowner in connection with the transaction between the owner and the principal and arising out of a violation of statute or regulation for which the principal was subject to criminal prosecution by the United States or the District of Columbia.

802.4 In lieu of a corporate surety bond under § 802.1, an applicant for a license as a contractor may deposit with the D.C. Treasurer other security for the protection of members of the public against financial loss by reason of the failure of the licensee, or of any officer, member, salesperson, employee, or other person acting on behalf of the licensee, to observe any statute or regulation in force in the District of Columbia applicable to the licensee's conduct of the business licensed pursuant to this chapter.

802.5 The security which may be accepted by the D.C. Treasurer under § 802.4 shall be one of the following:

- (a) Cash in the amount of five thousand dollars (\$ 5,000);
- (b) A certified check or cashier's check in the amount of five thousand dollars (\$ 5,000) made payable to the order to the D.C. Treasurer; or
- (c) A marketable bond or bonds or a note or notes having in the aggregate a maturity value of at least six thousand dollars (\$ 6,000) and issued by the government of the United States or by any agency or

instrumentality of the government, together with an irrevocable power of attorney and agreement, on a form provided by the D.C. Treasurer authorizing the D.C. Treasurer to collect or sell, assign, and transfer that bond or note; Provided, that no such bond or note shall be collected or sold until such time as it may be necessary to make payment to any person entitled to recover damage from the security which the bond represents.

802.6 Cash, certified checks, and cashier's checks deposited for the purposes of this section and the proceeds of the collection or sale of any bond or note made pursuant to this section shall be deposited to the credit of a District of Columbia trust fund account, and shall be available for the payment of any judgment rendered against the licensee in favor of any person who has sustained damage by reason of the violation by the licensee or by his, her, or its officer, member, salesperson, employee, or other person acting on his, her, or its behalf, of any statute or regulation in force in the District of Columbia applicable to the licensee's conduct of the business licensed pursuant to this chapter.

802.7 No payment from the security deposited pursuant to this section on account of any judgment shall be made until that judgment has become final and remains unsatisfied and the period for filing an appeal has expired or the judgment debtor has waived in writing the right to take an appeal.

802.8 If the security deposited pursuant to this section is other than bonds or notes and is reduced below five thousand dollars (\$ 5,000), or if the security is in the form of marketable bonds or notes and, by reason of the payment of or on account of any final judgment, is reduced to an amount less than six thousand dollars (\$ 6,000), the licensee shall, within five (5) calendar days after having been notified in writing by the Director to do so, make an additional deposit to bring the amount on deposit with the D.C. Treasurer for the purpose of this subsection up to the amount required under the appropriate provision of this section.

802.9 Payment made from security deposited pursuant to this section for or on account of a judgment shall include interest and costs as specified in the judgment or as may be required by statute.

802.10 Any security deposited pursuant to this section shall be retained by the D.C. Treasurer for at least three (3) years after the expiration of the license in connection with which the security was deposited.

802.11 If the D.C. Treasurer is notified in writing that suit has been filed against any licensee as a result of which a judgment may be payable out of the security, the security shall be held until such time as appeal from the judgment has expired or until the suit is otherwise disposed of.

16-803. INSURANCE

803.1 Each applicant for a license as a home improvement contractor shall furnish evidence satisfactory to the Director that the operations proposed to be conducted by that applicant under the authority of the license for which application is made will be covered by public liability and property damage insurance for the full period of the license.

803.2 The insurance shall be cancelable only after thirty (30) days notice to the Director, and shall provide a minimum limit of liability of fifty thousand dollars (\$ 50,000) for bodily injury or death of any one (1) person in any single accident, one hundred thousand dollars (\$ 100,000) in the aggregate for more than one (1) person in any single accident, and ten thousand dollars (\$ 10,000) property damage in any single accident.

803.3 Notwithstanding the requirements of § § 803.1 and 803.2, an applicant for a license as a contractor may qualify as a self-insurer by demonstrating to the satisfaction of the Director the following:

(a) That the applicant has employed, and for the period for which the applicant is to be licensed will keep employed, one (1) or more qualified persons to receive, process, adjust, and pay claims arising out of the activities of the applicant as a home improvement contractor; and

(b) That the applicant is, and will continue for the period of the license to be, possessed of sufficient financial resources to pay claims filed with or judgments rendered against the applicant, as evidenced by a showing of a net worth of at least one hundred thousand dollars (\$ 100,000) including (as a liability) the maintenance of a reserve of at least five thousand dollars (\$ 5,000) to satisfy anticipated or pending claims or lawsuits arising out of the activities as a home improvement contractor.

803.4 The Director is authorized, in determining whether any applicant is qualified to be self-insurer under the provisions of § 803.3, to accept an affidavit of the applicant with respect to the requirements of § 803.3(a), and to accept the certificate of a Certified Public Accountant with respect to the requirements of § 803.3(b).

16-804. APPOINTMENT OF THE MAYOR AS ATTORNEY-IN-FACT

804.1 In the application for any license under this chapter, the applicant shall appoint the Mayor as the applicant's true and lawful attorney upon whom may be served any judicial and other processes or legal notices directed to the licensee in any action or proceeding against the licensee growing out of the operation under the license applied for, and to a signification of the applicant's agreement that any such process or notice which is so served shall be of the same legal force and validity as if served upon the licensee personally in the District.

804.2 No process or notice may be served under the provisions of this section upon any individual residing in the District, or upon any domestic corporation organized under the District of Columbia Business Corporation Act, or upon any foreign corporation having a registered agent in the District under the provisions of that Act.

804.3 The provisions of § 804.1 shall not be operative unless and until at least one (1) bona fide attempt has been made to serve the process or notice in a manner otherwise provided by law.

804.4 Service of process or notice in accordance with the provisions of this section shall be made by leaving with the Director not less than one (1) copy of the process or notice for each defendant to be served, together with a fee of two dollars (\$ 2.00) for each defendant, except that no fee will be charged any District office or agency for the service of any process or notice under the authority of this section.

804.5 Upon receipt of the process or notice, accompanied by the required fee and an affidavit stating there has been compliance with § 804.3, the Director shall forward the process or notice by certified mail to each defendant so served, at the address of the defendant as shown on the license issued to the defendant under the authority of this chapter or on the licensee's application for a license.

16-805. INVESTIGATION OF APPLICANTS AND LICENSEES

805.1 The Director is authorized, in connection with the consideration of license applications and from time to time during the license year, during regular business hours, to require any applicant or licensee to make available to the Director such information as the Director considers necessary in determining or verifying whether the applicant or licensee has or retains the qualifications necessary for obtaining or retaining a license, or has violated or failed to comply with any provision of statute or regulation relating to the conduct of the home improvement business or to obtaining or retaining a license.

805.2 The investigation by the Director may include determination or verification of the identity of any person associated with the applicant or licensee in the home improvement business, and the extent, if any, of that person's control, either directly or indirectly, over the business activities of the applicant or licensee.

805.3 Failure to make information available to the Director; failure to furnish to the Director the information the Director is authorized to request by this section; or failure to furnish to the Director or to permit the Director to make one (1) or more copies of such records maintained by the applicant or licensee as the Director may specify, shall be grounds for denial, suspension, or revocation of a license.

805.4 The information required by this section to be furnished to the Director may, at the option of the applicant or licensee, be furnished to the Director at the Director's office or, upon notice to the Director, at the place of business of the applicant or licensee.

16-806. IDENTIFICATION CARDS

806.1 Each individual licensed as a contractor; the officers or members of any firm, partnership, joint stock company, corporation, association, or incorporated society licensed as a contractor; and each salesperson employed by a contractor shall, while engaging, away from the premises for which the license is issued, in any dealings with a homeowner in connection with carrying on the home improvement business with which that contractor, officer, member, or salesperson is associated, carry on his or her person an identification card issued to him or her by the Director.

806.2 Upon the request of a homeowner or other person with whom the contractor or salesperson may deal in connection with licensed activities, each person required by this section to carry an identification card as a contractor or salesperson shall display the card and shall furnish the homeowner or other person dealing with the contractor or salesperson a business card or other written matter containing the full name of the contractor or salesperson and the contractor's or salesperson's license number, as the case may be, including, in the case of the salesperson, the name of the contractor by whom he or she is employed.

806.3 Each person issued an identification card by the Director shall, upon terminating his or her association with the contractor whose name appears on the card, surrender the card to the Director within five (5) business days after the termination of such association.

806.4 Each licensed contractor shall, within five (5) business days from the date of termination of an employee to whom an identification card was issued, notify the Director of the termination of any association between the contractor and that person.

16-807. ADVERTISING

807.1 Notwithstanding the applicable provisions of regulations governing refrigeration and air conditioning licensing and electrical licensing and bonding (Title 17, DCMR), and the Plumbing Code (Title 13, DCMR), but subject to the provisions of this section, a home improvement contractor licensed under the authority of this chapter may advertise in any manner and may state orally to a prospective customer that any contract between the customer and the contractor may provide for the performance of electrical, plumbing, gasfitting, or refrigeration and air conditioning work, or any combination of those services.

807.2 Except as provided in § 807.1, all plumbing, gasfitting, electrical, or refrigeration and air conditioning work, or any combination of those services, to be performed under any contract between a homeowner and a home improvement contractor, shall be performed in accordance with all of the requirements of the regulations applicable to that work, with particular reference to the use of qualified personnel (whenever required by the applicable regulations) in the securing the permits and in the performance of the work.

16-808. HOME IMPROVEMENT CONTRACTS

808.1 No home improvement contractor or salesman or other agent for the contractor shall accept any payment for home improvement work to be performed for a homeowner until after the understanding between the homeowner and the contractor, or the contractor's salesperson or other agent, with respect to the work, has been reduced to writing in accordance with the provisions of this section.

808.2 The written understanding of the parties shall be incorporated in a written contract which shall be filled in and signed in at least triplicate, on a form which shall comply in all respects with this chapter, with all blank spaces filled in.

808.3 The contract shall be signed by the homeowner and, as the case may be, either by the contractor, or by the salesperson or other agent for the contractor subject to the contractor's approval.

808.4 The names and license number of all salespersons who participated in negotiating the contract shall be inserted in the contract, in the space provided for the purpose, and they shall be identified in the contract as the participating salespersons.

808.5 If the form of contract at the time it is executed by the homeowner is not executed by the contractor, the homeowner shall, at the time of the homeowner's signing the contract, be furnished a copy of the document bearing both the homeowner's signature and the signature of a salesperson. Thereafter, upon the execution of the contract by the contractor, the homeowner shall be furnished a copy of the contract executed both by the homeowner and by the contractor.

808.6 If the form of contract contains a provision that the contract shall not be binding until accepted by the contractor, the contractor shall within fifteen (15) days after the contract has been executed by the homeowner, unless a later date is agreed upon between the contractor and the homeowner in writing, give the homeowner written notice of acceptance or rejection.

808.7 Notice of acceptance or rejection under § 808.6 shall be delivered to the homeowner either personally or by certified or registered mail.

808.8 In case of rejection, any payment made by the homeowner shall be returned to the homeowner with the notice of rejection.

808.9 Each contract for home improvement work shall bear the name, address, and telephone number of the home improvement contractor and his home improvement contractor's license number.

808.10 Each contract shall include a description of the terms of payment, the approximate date on which the work required by the contract is to start, and the approximate date on which the work will be completed, such starting and completion dates to be subject to change at the time the contract is accepted by the contractor and at no other time (except by written agreement between the homeowner and the contractor), with notice of any such change to be set forth in the written notice of acceptance of the contract furnished the homeowner by the contractor.

808.11 A contract may include a provision to the effect that the contractor shall not be liable for delays due to unforeseeable causes beyond the control of and without the fault or negligence of the contractor, including acts of God or the public enemy or of the homeowner, fires, floods, strikes, freight embargoes, or unusually severe weather.

808.12 A set of specifications shall be made part of the contract, either by inclusion in the contract or by being incorporated in the contract by reference, showing the work to be done and the materials to be used.

808.13 There shall be no change in specifications without the written approval of the homeowner.

808.14 No contractor or salesperson shall cause or permit any contract or other document relating to the performance of home improvement work to be signed by the homeowner before all blank spaces are filled in with easily legible writing and the contractor or salesperson has submitted to the owner the completed contract or other document and given the homeowner a reasonable opportunity to examine it.

808.15 Each contract shall contain a notice satisfactory to the Director in bold type no smaller than ten (10) point stating in substance that the homeowner shall not sign the contract in blank and that the homeowner is entitled to a copy of the contract at the time he or she signs.

808.16 If the homeowner has a prior existing unpaid account balance with the contractor which arose in the regular course of business and which is to be consolidated with the unpaid balance for the performance of home improvement work, then, as a separate transaction, the contractor may, within fifteen (15) days subsequent to the time the contract is signed by the homeowner, and not less than twenty-four (24) hours prior to commencing performance of the work, furnish the homeowner with a written statement setting forth the consolidated balance due the contractor and the terms of payment.

16-809. ACTIONS BY SALESPERSONS

809.1 For purposes of this chapter, the act or omission of any salesperson of a contractor while acting or purportedly acting on behalf of the contractor, which act or omission is in violation of this chapter or is cause for denial, suspension, or revocation of the license of a contractor, may be considered the act of the contractor by whom that salesperson is employed, or for whom he or she purported to act, if the contractor approves the act, or, after actual notice of the act or omission, retains the benefit, proceeds, profit, or advantage accruing from the act or omission or otherwise ratifies it.

809.2 If there is a bona fide dispute as to whether the act or omission was committed or occurred, the contractor is not deemed to have had actual notice of it until it shall have been finally determined that the act or omission was in fact committed or did in fact occur.

809.3 Regardless of the validity of his or her salesperson's license, no salesperson may negotiate, or arrange or attempt to arrange the negotiation of contracts for home improvement work for or on behalf of a contract while the contractor's license is suspended or revoked.

16-810. RECEIPTS

810.1 Prior to the completion of home improvement work, no home improvement contractor shall accept any payment for the work without promptly delivering to the homeowner a receipt for that payment.

810.2 If payment is made by check or U.S. Postal money order, no receipt need be delivered to the homeowner.

16-811. APPROVAL OF CONTRACT AND RECEIPT FORMS

811.1 No contractor shall use any contract form or receipt form required by this chapter unless a sample of the form has first been submitted to and approved for compliance with this chapter by the Director.

811.2 If, within five (5) business days from the date of the submission of a proposed form, the Director has not approved the proposed form, the form may be used by a contractor until such time as the contractor shall have been notified by the Director, in writing, that the form is not in compliance with this chapter, and thereafter the Director shall allow the contractor a reasonable time within which to comply.

16-812. PERMITS

812.1 Each home improvement contractor entering into a contract for the performance of any home improvement work for which a permit is required by applicable law of the District of Columbia shall be responsible for taking such action as may be necessary to ensure that the work is performed only under the authority of the required permit and in accordance with all of its terms.

16-813. DENIAL, SUSPENSION, OR REVOCATION OF LICENSE

813.1 The license of each contractor or salesperson shall be subject to denial, suspension, or revocation on any ground set forth in any other section of this chapter which is applicable to any such license or on any ground falling within the terms of paragraph 46 of § 7 of the Act, approved July 1, 1932, as amended (47 Stat. 563; D.C. Code § 47-2844 (1981 Ed.)), including, but without limitation, any of the grounds set forth in this section.

813.2 All qualifications set forth in this chapter as prerequisite to the issuance of any license shall be maintained for the entire license period. Failure to maintain any qualification for a license shall be cause for suspension or revocation of the license.

813.3 The grounds for denial, suspension, or revocation of a license include the following:

- (a) Material misstatement in application for license;
- (b) Failure or refusal to comply with any provision of statute or regulation governing the carrying on of home improvement work;
- (c) Conviction of false pretenses, larceny after trust, embezzlement, or any other offense involving fraudulent conduct, arising out of or based on a home improvement contract;
- (d) Misrepresentation or concealment, through any subterfuge or device, or any matter required by this chapter to be stated to the homeowner, or of the nature of any matter required by this chapter to be furnished to the homeowner;
- (e) Employment of any fraudulent or misleading device, method, or practice in connection with the negotiation or performance of a contract for home improvement work;
- (f) Use of advertising with regard to contracting for or performing home improvement work which is misleading or deceptive by reason of any false statement contained in that advertising or which, by reason of incompleteness or otherwise, may mislead or deceive;
- (g) Willful or fraudulent circumvention of any provision of statute or regulations relating to the conduct of the home improvement business;
- (h) (Contractor Only) Employing engaging, appointing, allowing, or permitting any person to act as a salesperson for or on behalf of a contractor, knowing or having been put upon notice to ascertain that such a person is not duly licensed as a salesperson for the dealer, or that the person's salesperson's license has been denied, suspended, or revoked;
- (i) (Contractor Only) The unjustified failure or refusal of a contractor substantially to complete the work required by a home improvement contract within a reasonable time after the approximate date of completion specified in the contract; and
- (j) (Salesperson Only) Acting as a salesperson for or on behalf of any person, knowing or having been put upon notice to ascertain that the person is not duly licensed as a contractor, or that the person's contractor's license has been denied, suspended, or revoked.

813.4 Any advertising which conforms with the then current regulations, rules, or guides of the Federal Trade Commission shall not be deemed to be misleading or deceptive under § 813.3(f).

16-814. PROCEDURE FOR DENIAL, SUSPENSION, OR REVOCATION

814.1 If the Director proposes to deny, suspend, or revoke a license issued under this chapter, the Director shall give to the applicant or licensee notice which shall be in writing and be signed by the Director, in accordance with the provisions of this section.

814.2 The notice shall state the ultimate facts constituting each violation or other basis for the action proposed, and shall state the action which the Director proposes to take.

814.3 The notice shall indicate, where applicable, each provision of statute or regulation violated or not complied with.

814.4 The notice shall advise that the Director's proposal to take such action may be appealed as provided in this chapter, and of the time within which an appeal must be filed.

814.5 The notice shall be personally served upon the applicant or licensee, or otherwise served by one of the following methods:

- (a) Leaving a copy of the notice at the address stated on the license (or on the application in the case of an applicant) with a person over the age of sixteen (16) years then employed at, or a resident of that address; or

(b) Mailing a copy of the notice by certified mail, postage prepaid, to the address stated on the license (or on the application in the case of an applicant) and not returned by the post office authorities. If any notice mailed as authorized is returned by the post office authorities by reason of refusal of the addressee to accept delivery, it shall be deemed to have been served on the addressee by mail.

16-815. APPEALS

815.1 Any person on whom a notice has been served pursuant to § 814 may file with the Board of Appeals and Review a written notice of appeal.

815.2 The notice of appeal shall be filed within twenty (20) calendar days from the date the notice was served personally or within twenty-four (24) calendar days of the date the notice was served other than personally.

16-899. DEFINITIONS

899.1 When used in this chapter, the following terms and phrases shall have the meanings ascribed:

Director - the Director of the Department of Consumer and Regulatory Affairs or the Director's representative, agent, or designee.

Home improvement business - the business of doing "home improvement work" as defined in this section.

Home improvement contract - an agreement for the performance of home improvement work for a contract price of three hundred dollars (\$ 300) or more. This term shall also include the second or any subsequent agreements entered into between the same contractor and the same homeowner within any twelve (12) month period, if the total of the contract prices of all the agreements aggregate three hundred dollars (\$ 300) or more.

Home improvement contractor or contractor - any person who enters, or offers to enter, into a home improvement contract with a homeowner.

Home improvement salesperson or salesperson - any individual (including, without limitation, any officer, director, partner, member, or principal of a home improvement contractor) who either expressly or impliedly represents or holds himself or herself out as being associated with or employed, engaged, appointed, authorized, or permitted by any home improvement contractor to negotiate any contractual agreement for home improvement work.

In addition, the term "salesperson" includes any individual who, for a consideration and with the express or implied consent of a home improvement contractor, negotiates any contractual agreement. Acceptance by a home improvement contractor of a transaction resulting from negotiation by any person shall constitute that person a salesperson for the contractor within the meaning of this chapter.

Nothing in this definition shall be deemed to mean that the terms "home improvement salesperson" or "salesperson" extend to and include any employee of a licensed home improvement contractor as long as the activities of that employee relating to home improvement work are conducted or undertaken exclusively on the premises for which the license is issued, in the name of and under the supervision of the licensed contractor.

Home improvement work - the construction of one or more additions to, or the improvement, repair, restoration, alteration, conversion, or replacement of any residential property.

The term "home improvement work" shall not extend to or include the sale or installation of any appliance, materials, household furnishings, or equipment, if not made a part of the realty.

The term "home improvement work" shall not extend to or include work performed by licensed electricians, licensed plumbers and gasfitters, or licensed refrigeration and air conditioning mechanics, so long as the work performed by them is limited to that of their licensed occupations.

Homeowner - any person or person's authorized agent who enters into a contract for the performance of home improvement work on residential property owned or occupied by that person.

Payment - the transfer, directly or indirectly, of any valuable consideration, and shall include, but not be limited to, the delivery of cash, promissory note, installment contract, other written promise to pay money, chattel mortgage, or deed of trust; Provided, that the term "payment" shall not include the promise to pay embodied in the contract itself.

Person - includes an individual, firm, partnership, joint stock company, corporation, association, incorporated society, statutory or common law trust, estate, executor, administrator, receiver, trustee, conservator, liquidator, committee, assignee, officer, employee, principal or agent.

Residential property - real property or interest in real property consisting of a single-family dwelling or two-family dwelling (flat), including an individual apartment in a cooperative apartment building, together with any structure or grounds appurtenant to the single-family or two-family dwelling.